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Policy issues

Follow-up to and implementation of the outcomes of United Nations summits, in particular the United Nations Conference on Sustainable Development, and major intergovernmental meetings of relevance to the United Nations Environment Assembly

Implementation of Governing Council Decision 27/2

Consolidation of headquarters functions

Report of the Executive Director

Summary

In paragraph 13 of its decision 27/2, on the implementation of paragraph 88 of the outcome document of the United Nations Conference on Sustainable Development, entitled "The future we want", the Governing Council of the United Nations Environment Programme (UNEP) committed to progressively consolidating headquarters functions of the United Nations Environment Programme in Nairobi, and in that context requested the Executive Director to present a report to the governing body at its next session and to include recommendations in the programme of work for the period 2016–2017 to be acted upon and implemented in a timely manner.

The present report outlines actions taken by the Executive Director to implement paragraph 13 of decision 27/2 and provides recommendations for the 2016–2017 programme of work as requested by the Governing Council.

The implementation of the decision is taking place in the context of the strengthening and upgrading of UNEP as contemplated by paragraph 88 of "The future we want" and by General Assembly resolution 67/213.

* UNEP/EA.1/1.

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I. Background

1. In paragraph 88 of the outcome document of the United Nations Conference on Sustainable Development (Rio+20), entitled "The future we want", Heads of State and Government invited the General Assembly to adopt a resolution strengthening and upgrading the United Nations Environment Programme (UNEP). Subparagraphs (a)–(h) of paragraph 88 specify the means by which UNEP should be strengthened and upgraded in a number of areas, including, among others, the governance of UNEP, its financial resources, its coordination role on the environment within the United Nations system, the promotion of a strong science-policy interface for sound decision-making, the dissemination of environmental information, the provision of capacity-building to countries and their access to technology, the consolidation of UNEP headquarters functions in Nairobi and the strengthening of its regional presence, and the participation of stakeholders and engagement of civil society.

2. Subparagraph (g) of paragraph 88 addresses the need to progressively consolidate UNEP headquarters functions in Nairobi, as well as strengthen its regional presence, in order to assist countries, upon request, in the implementation of their national environmental policies, collaborating closely with other relevant entities of the United Nations system.

3. Subsequently, the General Assembly, in resolution 67/213, decided to strengthen and upgrade UNEP in the manner set out in subparagraphs (a) to (h) of paragraph 88 of the "The future we want", as endorsed by the Assembly in its resolution 66/288.

4. With regard to the means of implementation, in paragraph 5 (a) of resolution 67/213, the General Assembly requested the Secretary-General, in line with paragraph 88 (b) of the outcome document, to reflect in the 2014–2015 biennium budget proposal resources that take into account the proposed revised programme of work of UNEP and the implementation of paragraph 88, subparagraphs (a) to (h), of the outcome document, as well as opportunities for increasing the efficient use of resources.

5. Among other decisions concerning the implementation of paragraph 88 and resolution 67/213, the Governing Council of UNEP, at its twenty-seventh session , adopted decision 27/2, in paragraph 13 of which it committed to progressively consolidating headquarters functions of UNEP in Nairobi, and in that context requested the Executive Director to present a report to the governing body at its next session and to include recommendations in the programme of work for the period 2016–2017 to be acted upon and implemented in a timely manner.

6. In resolution 68/215, the General Assembly took note of the commitment of the governing body of UNEP to progressively consolidate headquarters functions of UNEP in Nairobi (see UNEP/EA.1/2/INF/16, annex I). Subsequently, the Assembly adopted resolution 68/248 on the programme budget for the biennium 2014–2015, which included appropriations for UNEP.

7. While the focus of the present report is on the implementation of paragraph 13 of decision 27/2, it also provides information on other measures taken by the Executive Director to strengthen UNEP as called for in paragraph 88 of "The future we want", resolution 67/213 and related Governing Council decisions and independent evaluations.[1]

II. Overview of UNEP strategic presence worldwide

8. Over time, UNEP has developed a distributed presence around the world, amplifying its outreach and maximizing interaction with relevant intergovernmental organizations, international financial institutions, research and academic institutions, civil society and other major groups and partners. In addition to regional, liaison and country offices, UNEP has established a number of technical branches, units and specific projects in various locations over the last four decades. UNEP has also strategically located individual staff members in other United Nations organizations and in selected partner organizations to enhance coordination and to help mainstream the environmental agenda into development work. For example, a UNEP staff member hosted by the Food and Agriculture Organization of the United Nations (FAO) in Rome has helped to develop a large portfolio of projects on agro-biodiversity in partnership with FAO and Biodiversity International. Table 1 presents an overview of the UNEP offices and staff members in duty stations around the world as at June 2013.

[1] The independent evaluations referred to include evaluations undertaken by the Office of Internal Oversight Services of the Secretariat and the UNEP Evaluation Office.

Table 1

Overview of UNEP offices and staff in duty stations around the world

Duty station		*Office type*	*Bodies/organizational units*
City	*Country*		
Nairobi	Kenya	• Headquarters	• Office of the Executive Director/Deputy Executive Director, Secretariat of the Governing Bodies, Division of Communications and Public Information, Division of Environmental Policy Implementation (DEPI), Division of Environmental Law and Conventions, Division of Early Warning and Assessment,[a] Office for Operations, Regional Support Office, GEF Coordination Unit
		• Regional office	• Regional Office for Africa
		• Country office	• Kenya Country Office
		• Global programme implementation	• Sustainable Transport and Mobility Unit (Division of Technology, Industry and Economics (DTIE))
			• Energy Branch (DTIE)
		• Multilateral environmental agreement (MEA)/Regional coordinating unit (RCU)	• Vienna Convention for the Protection of the Ozone Layer secretariat
			• Montreal Protocol on Substances that Deplete the Ozone Layer secretariat
			• Convention for the Protection, Management and Development of the Marine and Coastal Environment of the Western Indian Ocean (Amended Nairobi Convention)
Abidjan	Côte d'Ivoire	• MEA/RCU	• Convention for Cooperation in the Protection, Management and Development of the Marine and Coastal Environment of the Atlantic Coast of the West, Central and Southern Africa Region
Abu Dhabi	United Arab Emirates	• MEA secretariat	• Convention on the Conservation of Migratory Species of Wild Animals (CMS) (dugongs and birds of prey)
Addis Ababa	Ethiopia	• Liaison office	• African Union • United Nations Economic Commission for Africa
Apia	Samoa	• Project office	• Global Environment Facility (GEF)
Athens	Greece	• MEA/RCU	• Mediterranean Action Plan
Bamyan	Afghanistan	• Project office	• Post-conflict
Bangkok	Thailand	• Regional office	• Regional Office for Asia and the Pacific
Beijing	China	• Country office	• Country Office for China
		• Centre of excellence	• International Ecosystem Management Partnership
Bonn	Germany	• Secretariat	• Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

Duty station		*Office type*	*Bodies/organizational units*
City	*Country*		
		• MEA	• Convention on Migratory Species • Agreement on the Conservation of African-Eurasian Migratory Waterbirds
Brasilia	Brazil	• Country office	• Country Office for Brazil
Brussels	Belgium	• Liaison office	• European Union
Busan	Republic of Korea	• MEA/RCU	• Action Plan for the Protection, Management and Development of the Marine and Coastal Environment of the Northwest Pacific Region (NOWPAP) RCU
Cambridge	United Kingdom of Great Britain and Northern Ireland	• Centre of excellence	• UNEP World Conservation Monitoring Centre
Copenhagen	Denmark	• Centre of excellence	• UNEP-DHI Centre for Water and Environment • UNEP Risø Centre
Dar es Salaam	United Republic of Tanzania	• One United Nations	• One United Nations representative
El Fasher	Sudan	• Project office	• Post-conflict
Geneva	Switzerland	• Regional office • Global programme implementation • MEA • Secretariat	• Regional Office for Europe • Post-conflict and Disaster Management Branch (DEPI) • Chemicals Branch (DTIE) • Economics and Trade Branch (DTIE) • United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (DEPI) • Joint secretariat of the Basel Convention on the Control of the Transboundary Movements of Hazardous Wastes and Their Disposal, the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade and the Stockholm Convention on Persistent Organic Pollutants • Convention on International Trade in Endangered Species of Wild Fauna and Flora • Intergovernmental Panel on Climate Change secretariat
Khartoum	Sudan	• Project office	• Post-conflict
Kingston	Jamaica	• MEA/RCU	• Convention for the Protection and Development of the Marine Environment in the Wider Caribbean Region (Cartagena Convention) • Caribbean RCU
Manama	Bahrain	• Regional office	• Regional Office for West Asia
Mexico City	Mexico	• Country office	• Country Office for Mexico
Montreal	Canada	• MEA	• Convention on Biological Diversity • Multilateral Fund
Moscow	Russian Federation	• Country office	• Country Office for Russian Federation

Duty station		*Office type*	*Bodies/organizational units*
City	*Country*		
New York	United States of America	• Liaison	• United Nations Headquarters • Environment Management Group
Nyala	Sudan	• Project office	• Post-conflict
Osaka	Japan	• Centre of excellence	• International Environmental Technology Centre (DTIE)
Panama City	Panama	• Regional office	• Regional Office for Latin America and the Caribbean
Paris	France	• Outposted division director's office • Global programme implementation	• Office of the Director, DTIE • Ozone Action (DTIE) • Energy Branch (DTIE) • Sustainable Consumption and Production Branch (DTIE)
Port-au-Prince	Haiti	• Project office	• Disaster recovery (DEPI)
Pretoria	South Africa	• Country office	• Country Office for South Africa
Rabat	Morocco	• Project office	• Energy (DTIE)
Rome	Italy	• Global programme implementation	• Agro-biodiversity, hosted by the Food and Agriculture Organization of the United Nations
Santo Domingo	Dominican Republic	• Project office	• Poverty and Environment Initiative
Stockholm	Sweden	• Global programme implementation	• Energy
Toyama	Japan	• MEA	• NOWPAP RCU
Vienna	Austria	• MEA • Secretariat	• Framework Convention on the Protection and Sustainable Development of the Carpathians • United Nations Scientific Committee on the Effects of Atomic Radiation
Washington	United States of America	• Regional office • Liaison office • Secretariat	• Regional Office for North America • GEF • GEF Scientific and Technical Advisory Panel

[a] List includes all branches of these divisions operating in Nairobi.

9. In response to the evolving role of the UNEP regional offices, which are now increasingly tasked with delivering the programme of work in the regions in addition to their traditional representation and outreach role, UNEP revised its strategic presence policy in January 2009.[2] The policy, which covered the period 2010–2013, was a first step towards strengthening the presence of UNEP in the regions and ensuring the coherent, coordinated and integrated implementation of the programme of work by all components of the UNEP secretariat while moving to a matrix approach. A process for reviewing and eventually revising the strategic presence policy has now begun in response to the Rio+20 outcome and paragraph 14 of Governing Council decision 27/2. This process should be completed by the end of 2014. UNEP has also taken steps to strengthen its regional presence as discussed in section III below.

10. The number of UNEP duty stations and the distribution of staff in various geographical regions have evolved historically and continue to evolve in response to the changing requirements of UNEP and its member States. The location of staff and offices is based on:

(a) Decisions of the Governing Council;

(b) Decisions of the conferences of the parties of multilateral environmental agreements regarding the locations of their respective secretariats;

(c) Decisions related to specific intergovernmental or inter-agency processes in which UNEP participates but is not the sole decision maker (e.g., the United Nations Collaborative

[2] "Moving forward with UNEP's strategic presence 2010–2013".

Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries and the Global Environment Facility (GEF) Scientific and Technical Advisory Panel);

(d) UNEP management decisions to, among other things:

(i) Improve participation in United Nations country teams and enhance delivery of services to the countries it serves (through, for example, the establishment of the Port-au-Prince office to support disaster recovery efforts);

(ii) Facilitate coordination and strengthen cooperation with United Nations bodies and other intergovernmental entities such as the United Nations Secretariat in New York, the African Union and the Economic Commission for Africa in Addis Ababa and the European Union in Brussels;

(iii) Benefit from the availability of technical expertise of strategic partners and centres of excellence around the world, which is deemed essential for the delivery of the UNEP programme of work (for example, the World Conservation Monitoring Centre in Cambridge, United Kingdom of Great Britain and Northern Ireland);

(iv) Create synergies with and support the work of other entities, for example by co-locating UNEP chemicals activities with the secretariat of the Basel , Rotterdam and Stockholm convention and, most recently, the interim secretariat of the Minamata Convention on Mercury in Geneva or locating the Joint UNEP/Office for the Coordination of Humanitarian Affairs Environment Unit in Geneva, a hub with multiple international organizations cooperating on disaster prevention and recovery and post-conflict situations.

11. A review of the changes in the UNEP workforce, including staff members working for multilateral environmental agreement and regional seas convention secretariats, and its geographic distribution between 2005 and 2013 reveals the following figures and trends:

(a) The total workforce of UNEP, including staff members working for multilateral environmental agreement and regional seas convention secretariats, increased by 202 (approximately a 22 per cent increase) between 2005 and 2013. Professional staff and higher-level categories constitute the majority of the additional staff members joining during the period, with 135 additional P and D staff members and 67 General Service staff members;

(b) The number of duty stations increased significantly, from 27 in 2005 to 38 in 2013. Table 2 shows the stations and the changes at each location. Nairobi accounts for the largest number of additional staff members (58) followed by Geneva (37) and Montreal (32), but few of the additional posts in Geneva and none of the additional posts in Montreal are core UNEP secretariat positions. They are, instead, positions within the secretariat of the Basel, Rotterdam and Stockholm conventions (Geneva), the Convention on Biological Diversity and the Multilateral Fund for the Implementation of the Montreal Protocol (Montreal);[3]

(c) The proportion of staff members based in Nairobi has remained relatively stable at about 40 per cent of the total UNEP workforce (table 3 also shows staff members in the United Nations Secretariat and in multilateral environmental agreement secretariats), but increased numerically from 378 to 436 between 2005 and 2013; 40 of the additional staff members are in the Professional and higher categories, representing 67 per cent of the total increase in staff members;

(d) As at June 2013, there were 809 UNEP secretariat staff members, of which 414 (or 51 per cent) were based in Nairobi; the other 49 per cent were distributed across 30 duty stations (see table 4). The situation remains largely the same in 2014.

[3] It should be noted that a similar table was presented to the Committee of Permanent Representatives on 26 September 2013 comparing 2005 with 2012. Table 2 has now been updated and compares 2005 with 2013.

Table 2

Distribution of UNEP staff by duty station, including multilateral environmental agreement and regional seas convention secretariats, in 2005 and 2013

Duty station	*Number of staff 2005*	*Number of staff 2013*	*Change*
Nairobi	378	436	58
Abidjan	0	3	3
Abu Dhabi	0	5	5
Addis Ababa	1	1	0
Apia	1	1	0
Athens	29	17	-12
Bamyan	0	1	1
Bangkok	32	48	16
Beijing	2	4	2
Bonn	26	39	13
Brasilia	1	3	2
Brussels	1	6	5
Busan	2	3	1
Cairo	1	0	-1
Cambridge	1	2	1
Copenhagen	0	3	3
Dar es Salaam	0	1	1
El Fasher	0	1	1
Geneva	161	198	37
Kabul	3	0	-3
Kalmar	3	0	-3
Khartoum	0	1	1
Kingston	16	14	-2
Manama	16	22	6
Mexico City	22	2	-20
Montreal	83	115	32
Moscow	0	3	3
New York	13	11	-2
Nyala	0	1	1
Osaka	8	9	1
Panama City	0	37	37
Paris	76	98	22
Port-au-Prince	0	2	2
Pretoria	0	1	1
Rabat	0	1	1
Rome	0	1	1
Santo Domingo	0	1	1
Shiga	6	0	-6
Stockholm	0	1	1
The Hague	18	0	-18
Toyama	2	3	1
Vienna	2	6	4
Washington	12	17	5
Total	**916**	**1118**	**202**

Table 3

Distribution of Professional and General Service staff by duty station for the UNEP secretariat and for UNEP-administered multilateral environmental agreement (MEA) and regional seas convention secretariats as at June 2013

	Professional		*General Service*		*Subtotals*		*Total*
Duty station	*UNEP*	*MEAs*	*UNEP*	*MEAs*	*UNEP*	*MEAs*	
Nairobi	217	9	197	13	414	22	436
Geneva	74	54	39	31	113	85	198
Montreal	0	58	0	57	0	115	115
Paris	62	0	36	0	98	0	98
Bangkok	28	1	18	1	46	2	48
Bonn	0	19	0	20	0	39	39
Panama City	21	0	16	0	37	0	31
Manama	12	0	10	0	22	0	22
Athens	0	8	0	9	0	17	17
Washington, D.C.	12	1	4	0	16	1	17
Kingston	0	4	0	10	0	14	14
New York	7	0	4	0	11	0	11
Osaka	6	0	3	0	9	0	9
Brussels	4	0	2	0	6	0	6
Vienna	4	0	2	0	6	0	6
Abu Dhabi	0	4	0	1	0	5	5
Beijing	3	0	1	0	4	0	4
Abidjan	0	1	0	2	0	3	3
Brasilia	1	0	2	0	3	0	3
Busan	0	2	0	1	0	3	3
Copenhagen	3	0	0	0	3	0	3
Moscow	1	0	2	0	3	0	3
Toyama	0	2	0	1	0	3	3
Cambridge	2	0	0	0	2	0	2
Mexico City	1	0	1	0	2	0	2
Port-au-Prince	2	0	0	0	2	0	2
Addis Ababa	0	0	1	0	1	0	1
Apia	1	0	0	0	1	0	1
Bamyan	1	0	0	0	1	0	1
Dar es Salaam	1	0	0	0	1	0	1
El Fasher	1	0	0	0	1	0	1
Khartoum	1	0	0	0	1	0	1
Nyala	1	0	0	0	1	0	1
Pretoria	1	0	0	0	1	0	1
Rabat	1	0	0	0	1	0	1
Rome	1	0	0	0	1	0	1
Santo Domingo	0	0	1	0	1	0	1
Stockholm	1	0	0	0	1	0	1
Total	**470**	**163**	**339**	**146**	**809**	**309**	**1 118**

Table 4

UNEP Secretariat staff by duty station as at 30 June 2013

Duty station	*Regional office, Professional* [a]	*Regional office, General Service* [a]	*Regional office, total* [a]	*UNEP secretariat, total staff at duty station*
Nairobi	22	15	37	414
Geneva	15	9	24	113
Paris [b]	2	2	4	98
Bangkok	28	18	46	46
Panama City	21	16	37	37
Manama	12	10	22	22
Washington, D.C.	5	3	8	16
New York	0	0	0	11
Osaka	0	0	0	9
Brussels	4	2	6	6
Vienna [c]	2	0	2	6
Beijing	3	1	4	4
Brasilia	1	2	3	3
Copenhagen	0	0	0	3
Moscow	1	2	3	3
Cambridge	0	0	0	2
Mexico City	1	1	2	2
Port-au-Prince	2	0	2	2
Addis Ababa	0	1	1	1
Apia	1	0	1	1
Bamyan	1	0	1	1
Dar es Salaam	1	0	1	1
El Fasher	1	0	1	1
Khartoum	1	0	1	1
Nyala	1	0	1	1
Pretoria	1	0	1	1
Rabat	1	0	1	1
Rome	0	0	0	1
Santo Domingo	0	1	1	1
Stockholm	0	0	0	1
Total	**125**	**83**	**208**	**809**

[a] Includes all staff members reporting to the regional office, including staff in liaison offices and country offices.

[b] OzonAction staff members responsible for the implementation of the programme in Europe and Central Asia and reporting to the Regional Office for Europe.

[c] Includes four positions in the secretariat of the United Nations Scientific Committee on the Effects of Atomic Radiation.

III. Strengthening and upgrading UNEP: implementing "The future we want" and the resolutions of the General Assembly

12. At the United Nations Conference on Sustainable Development, Heads of State and Government agreed on a far-reaching and complex set of decisions that have provided new impetus to the environmental dimension of sustainable development and to UNEP, its governance architecture and programme of work.

13. Paragraph 88 of the outcome document of the Conference, "The future we want", was endorsed by the General Assembly in its resolutions 66/288 and 67/213. The document identified several avenues for strengthening and upgrading UNEP. The challenge of pursuing those avenues

were at the core of the first universal session of the UNEP Governing Council, in February 2013, and the decisions adopted at that session have helped UNEP further define the strategic directions for its functioning now and in the future, its focus, its governance and its role in setting a global environmental agenda for collective international action.

14. In particular, UNEP has made a number of key management decisions and adopted processes designed to contribute to strengthening and upgrading itself. The progressive consolidation of headquarters functions in Nairobi is, therefore, being considered in the light of other organizational reforms required for a strengthened and upgraded UNEP. Recommendations from recent independent evaluations are also being taken into consideration.

15. The vision is for an efficient, effective, modern organization that operates globally through a carefully chosen strategic presence worldwide and makes full use of the comparative advantage of its Nairobi headquarters.

A. Criteria and definitions

16. The key assumptions, criteria and definitions underpinning the discussions concerning the progressive consolidation of headquarters functions are listed in the following paragraphs.

1. Key assumptions

17. The key assumptions regarding the consolidation of headquarters functions are as follows:

(a) UNEP management has no authority to decide upon the relocation of functions currently housed in the secretariats of the multilateral environmental agreements and regional seas conventions administered by UNEP;[4]

(b) Consequently, it is understood that the GA resolutions on the progressive consolidation of headquarters functions in Nairobi apply only to the UNEP secretariat;

(c) Data on the entire UNEP workforce that encompasses staff attached to the multilateral environmental agreement secretariats is nevertheless provided in the present report because multilateral environmental agreement secretariat staff members hold contracts issued by UNEP.

2. Criteria

18. The key criteria applied to the analysis for the consolidation of headquarters functions are:

(a) Recognition of the existing distributed nature of the secretariat's functions and activities;

(b) Management efficiency and effectiveness;

(c) Continuity in programme delivery;

(d) Full operation of programme-related support services;

(e) Continued access to and cooperation with established strategic partnership networks worldwide;

(f) Ability to provide corporate leadership and strategic direction as "one UNEP";

(g) Minimization of legal and administrative risks that might undermine compliance with and the speedy implementation of General Assembly resolutions on UNEP.

3. Definitions

19. The definitions of "headquarters functions" as presented to the Committee of Permanent Representatives on 26 September 2013 and used in the present report are the following:

(a) Corporate leadership:

(i) Provide substantive oversight and strategic direction of the organization, its work and results;

(ii) Identify global priorities and trends and determine their implications for UNEP and its work;

[4] This key assumption is also applicable to UNEP-managed secretariats of intergovernmental bodies, such as the Intergovernmental Panel on Climate Change and the Intergovernmental Science-Policy Platform for Biodiversity and Ecosystem Services, and to other secretariats such as that of the Global Environment Facility's Scientific and Technical Advisory Panel, for which decision-making on staffing and location is the prerogative of their respective governing bodies.

(iii) Set and approve corporate policies;

(iv) Project the work of UNEP into global sustainable development processes and debates;

(b) Relations with governing and oversight bodies:

(i) Oversee relations with UNEP governing and oversight bodies;

(ii) Ensure the implementation of decisions and resolutions of the United Nations Environment Assembly and the General Assembly;

(iii) Ensure corporate accountability to the Secretary-General (Secretary-General Compact) and member States;

(iv) Coordinate relations with oversight investigation and inspection bodies such as the Office of Internal Oversight Services;

(c) Corporate institutional relations:

(i) Develop and maintain corporate inter-agency relations (within the United Nations and beyond);

(ii) Provide norms and standards regarding collaboration with partners of all types;

(iii) Coordinate linkages with major groups and stakeholders;

(iv) Ensure consistency of work with established regional frameworks (e.g., African Ministerial Conference on the Environment, Environment for Europe, Latin America and the Caribbean Forum of Ministers of the Environment, etc.);

(d) Strategic direction and work planning:

(i) Provide corporate strategic planning, priority-setting and budgeting, including overseeing the development of the medium-term strategic plan, strategic frameworks and the programme of work;

(ii) Ensure consistent results-based management, implementation, monitoring and reporting across UNEP;

(iii) Ensure coherence and synergies between divisions and subprogrammes;

(iv) Ensure linkages to and synergies with global multilateral environmental agreements;

(v) Support regional office efforts to deliver at the regional and country levels;

(e) Corporate management:

(i) Formulate, approve and monitor compliance with corporate operational norms and standards and manage institutional risks;

(ii) Coordinate and ensure timely and adequate corporate services, including with regard to information technology, procurement, security, medical and human resources support (human resources policy, recruitment policies, payroll, etc.);

(iii) Provide support and oversee finance and accounting, including guidance for consistent management of resources;

(iv) Develop and ensure coherence across UNEP of project quality control processes, including approval criteria;

(f) Corporate communications:

(i) Coordinate global communications and outreach (including corporate guidelines on communication and messaging);

(ii) Provide guidance and inputs for the development of thematic, programme-based, project-based and regional strategies for communications and outreach;

(g) Coordination of donor relations:

(i) Foster and maintain corporate relations with donor partners;

(ii) Develop and oversee resource mobilization strategies and guidelines;

(iii) Provide leadership in global fundraising;

(iv) Provide guidance for thematic or regional resource mobilization efforts.

B. Implementation

20. Pursuant to the Executive Director's management prerogatives and delegation of authority, a number of steps have been taken, as outlined below, to implement the far-reaching decisions by member States with respect to strengthening and upgrading UNEP and, in this context, to progressively consolidating headquarters functions in Nairobi.

21. Steps include initiatives to improve the effectiveness and efficiency of the existing organizational structures and functions at headquarters; to ensure secure, stable, adequate and increased financial resources from the regular budget of the United Nations as stated in subparagraph (b) of paragraph 88 of "The future we want"; and to implement additional recommendations by the Executive Director's Expert Advisory Group.

1. Improving the effectiveness and efficiency of existing organizational structures and functions at headquarters

22. A first set of internal management changes and organizational arrangements have been put in place. They focus primarily on reviewing and revising as relevant the scope of the existing divisions and organizational units to better align them with substantive issues arising out of Rio+20. Particular focus has been put on:

(a) Consolidating the Office for Operations, contributing to the efficient and effective management of UNEP, mitigating its exposure to risk and supporting the organization with management tools, plans and related enhanced capacity in line with UNEP accountability requirements, rules and regulations and United Nations core values;

(b) Consolidating UNEP strategic engagement, corporate oversight and management in respect of GEF, integrating the GEF portfolio into UNEP division planning and harmonizing it with UNEP subprogrammes while elevating the political, strategic and scientific engagement between UNEP and GEF to a higher corporate level;

(c) Enhancing the ability of UNEP to manage a matrixed and geographically distributed organization (by, among other things, improving coordination at all levels, enhancing monitoring tools and systems, and improving communications);

(d) Building further the systems that are critical to supporting programme focus, linkages between UNEP divisions and activities and the role of subprogramme coordinators in planning and coordination in order to eliminate duplication of work and become a fully results-focused entity. In this context, UNEP strategic planning functions, previously distributed among a number of organizational units, have been consolidated in a single Programme Strategy and Planning Team;

(e) Strengthening the Secretariat of Governing Bodies to better serve the United Nations Environment Assembly and other governing bodies;

(f) Further strengthening the regional strategic presence of UNEP, improving its timeliness and responsiveness with regard to the needs and requests of member States, mainstreaming the roles, profile and functions of UNEP regional offices in implementing the programme of work and consolidating the recently established Regional Support Office.

2. Ensuring secure, stable, adequate and increased financial resources from the regular budget of the United Nations

23. On 25 October 2012 UNEP, with the endorsement of the Chair and Vice-Chair of the Open-ended Committee of Permanent Representatives, submitted through the United Nations Secretariat a proposal to the Advisory Committee on Administrative and Budgetary Questions of the General Assembly. The Committee reviewed the proposal in May 2013 as part of its consideration of United Nations regular budget resources for UNEP for the biennium 2014–2015 pursuant to paragraph 5 (a) of Assembly resolution 67/213. Resolution 67/213 was adopted by consensus in response to the Rio+20 commitment by world leaders to ensure secure, stable, adequate and increased financial resources for UNEP from the regular budget of the United Nations and voluntary contributions to fulfil

its enhanced mandate as stated in subparagraph (b) of paragraph 88 of "The future we want", which was endorsed by the Assembly in its resolution 66/288.

24. The proposal, including the regular budget component, was based on a preliminary analysis of the implications for UNEP of paragraph 88 of "The future we want" as well as other recommendations from recent independent evaluations of UNEP.[5]

25. The proposal involved a request for post and non-post resources to strengthen the headquarters and regional presence of UNEP. The General Assembly approved a total of $34,963,500 for the biennium 2014–2015, a significant increase in the regular budget allocation to UNEP, including 47 new posts funded from the regular budget.

26. The 47 posts approved for regular budget funding, in addition to the existing 48 positions approved in the regular budget for the period 2012–2013, are:

(a) At UNEP headquarters:

- Director of Programme, Director of the Office for Operations (D-2)
- Director of Communications and Public Information (D-1)
- Chief Evaluation Officer (D-1)
- Chief Scientist (D-1)
- Chief, Finance Unit (P-5)
- Senior Programme Officer, Major Groups (P-5)
- Coordinator, UNEP sub-programmes (P-5) (seven posts)
- Senior Gender Adviser (P-5)
- Gender Programme Officer (P-3)

(b) In other strategic presence offices:

- Director of the New York Office (ASG)
- Deputy Director of the New York Office (D-1)
- Senior Programme Officer, New York Office (P-5)
- Senior Programme Officer, Environment Management Group Secretariat (P-5), Geneva

(c) In the regional offices:

- Regional Director (D-1) (six posts)
- Subregional Coordinators (P-5) (five posts), as part of the regional offices of UNEP, as follows: Caribbean region, based in Kingston; South America, based in Brasilia; West Africa, based in Abidjan; Central Asia, based in Almaty; and Pacific region, based in Apia
- Regional Coordinators, Climate Change (P-4) (two posts), based in Nairobi and Bangkok
- Regional Humanitarian Affairs Coordinators, Disaster and Conflicts (P-4) (two posts), based in Panama City and Nairobi
- Regional Coordinators, Ecosystems and Biodiversity (P-4) (two posts), based in Manama and Nairobi
- Regional Development Coordination Officers (P-4) (three posts), based in Panama City, Geneva and Nairobi
- Regional Coordinator, Environmental Law and Governance (P-4), based in Panama City

[5] In particular, the draft report of the Office of Internal Oversight Services on UNEP effectiveness and the formative evaluation managed by the UNEP Evaluation Office, the mid-term evaluation of the medium-term strategic plan and two sub-programme evaluations.

- Regional Coordinators, Chemicals and Waste (P-4) (two posts) based in Panama City and Nairobi
- Regional Coordinators, Resource Efficiency (P-4) (three posts), based in Bangkok, Nairobi and Panama City
- Regional Information Officer (P-3), based in Manama
- Administrative Assistant (GS) (OL), based in Washington, D.C.

27. In its report to the Fifth Committee of the General Assembly on the proposed programme budget for the biennium 2014–2015, (A/68/7) the Advisory Committee on Administrative and Budgetary Questions recommended a phased approach to the approval of the remaining 37 posts requested by UNEP for conversion to regular budget financing, 32 of which are planned for regional delivery of the UNEP programme of work. These posts are to enable the transformation of the UNEP regional offices with the necessary technical and coordination capacity so that they are well placed to respond to country needs, engage with Governments in policy dialogue and coordinate with United Nations country and regional teams.

28. The functions of the above posts recommended by the Advisory Committee for conversion to regular budget funding in 2016–2017 include the following:

(a) To strengthen the integration of UNEP normative work on the ground;

(b) To carry out specific environmental assessments and develop norms, guidelines and methodologies in important areas such as gender and environment;

(c) To improve UNEP responsiveness to member States and stakeholders seeking capacity-building and technology access in important areas such as the promotion of a green economy in the context of sustainable development, poverty eradication and the promotion of sustainable consumption and production;

(d) To increase the ability of UNEP to ensure greater coherence for all of its activities within the broader United Nations development and humanitarian agendas and efforts in close coordination with United Nations regional and country teams;

(e) To ensure a stronger science-policy interface;

(f) To widen the dissemination and sharing of environmental information;

(g) To generate more partnerships and enhance the active participation of major groups in UNEP activities.

3. Implementing additional recommendations by the Executive Director's expert advisory group

29. In February 2013 the Executive Director established an expert advisory group composed of professional staff (P-4 to D-2) from various departments and duty stations to consider further the implications of paragraph 13 of Governing Council decision 27/2 and to make recommendations to the Executive Director concerning its implementation. The group's mandate was:

(a) To prepare an analysis of headquarters functions, identifying those currently performed away from Nairobi;

(b) To assess human resource, programmatic and other implications of and options for the progressive consolidation of headquarters functions in Nairobi;

(c) To assessing the UNEP strategic presence policy and develop options for strengthening the overall strategic presence of UNEP.

30. The methodology followed by the expert advisory group is described in document UNEP/EA.1/2/INF/16, annex II.

31. Dialogue with the Committee of Permanent Representatives has taken place throughout the process. An initial status report on progress made in the preparation of the Executive Director's report on the implementation of General Assembly resolution 67/213, subparagraph 88 (g) of "The future we want" and paragraph 13 of Governing Council decision 27/2 was submitted by the secretariat to the Committee of Permanent Representatives on 29 July 2013. The secretariat presented additional information to the Committee on 3 September 2013 for consideration at its meeting of 23–27 September 2013 under item 8 of the provisional agenda for that meeting. The information included succinct data on the evolution and current status of UNEP staff distribution; the proposed definition of

"headquarters functions"; and a timeline for the completion of the Executive Director's report. The secretariat submitted an updated status report to the Committee of Permanent Representatives on 4 February 2014, which the Committee considered at its meeting held on 11 February 2014. That report provided additional information on first steps in building a scenario for the consolidation of headquarters functions in Nairobi and included possible cost implications. Finally, the secretariat presented a draft report to the Committee at its open-ended meeting in March 2014.

32. As explained in the draft report, the following headquarters functions, as defined above, are performed in Nairobi:

(a) Corporate leadership;

(b) Relations with governing and oversight bodies;

(c) Corporate institutional relations;

(d) Strategic direction and work planning;

(e) Corporate management;

(f) Corporate communications;

(g) Coordination of donor relations.

33. These functions are performed at headquarters with the exception of the following:

(a) The Director of the Division of Technology, Industry and Economics (DTIE) fulfils corporate responsibilities, especially related to the corporate leadership and corporate management functions. The Director – a member of the Senior Management Team and accountable director for three UNEP subprogrammes – has to date been based in Paris;

(b) Similarly, the functions performed by the Coordinators of the UNEP Sub-programmes include elements of the strategic direction and work planning functions. The coordination of four out of seven UNEP subprogrammes has until now been carried out from Paris and Geneva (Climate Change and Resource Efficiency and Sustainable Consumption and Production in Paris, and Chemicals and Waste and Disasters and Conflicts in Geneva);

(c) The New York Office performs functions related to corporate institutional relations vis-à-vis United Nations Headquarters, including with the Executive Office of the Secretary-General and United Nations coordinating bodies. The Director of the New York Office, now at the Assistant Secretary-General level, also oversees and manages the Environment Management Group secretariat, which is based in New York. The Assistant Secretary-General position was established to strengthen the ability of UNEP to fulfil its coordination mandate on environmental matters, including in particular its role in key United Nations coordination bodies.

IV. Implementation of the expert group's recommendations

A. Key recommendations

34. While a number of measures designed to strengthen UNEP and consolidate its headquarters functions in Nairobi have been put in place within the prerogatives and delegated authority of the Executive Director, further recommendations proposed by the expert group on the consolidation of UNEP headquarters functions in Nairobi are being implemented progressively in line with the decision of the Governing Council. The next steps for their implementation are:

(a) Consolidation of corporate leadership and corporate management functions by locating all members of the Senior Management Team at headquarters (to be implemented within the programme of work and budget for the biennium 2016–2017);

(b) Relocation to Nairobi or termination of posts affected by the consolidation referred to in subparagraph (a) (to be implemented within the programme of work and budget for the biennium 2016–2017);

(c) Strengthening of the corporate planning and coordination function at headquarters by finalizing the recruitment of all positions of Coordinators of UNEP subprogrammes based in Nairobi, as approved by the General Assembly in the regular budget for the biennium 2014–2015 (to be implemented in 2014);

(d) Infrastructure improvements, such as investments in state-of-the-art information technology and communications hardware, such as for teleconferencing, webcasting, webinars and other activities, and improvement of conference premises and facilities in Nairobi to enable the

increased participation of member States, major groups and stakeholders, United Nations organizations and other intergovernmental organizations as a result of the universal membership of UNEP (implementation in the 2014–1515 and 2016–2017 bienniums).

B. Implementation costs

35. The most significant costs of consolidating headquarters functions in Nairobi relate to the geographic relocation of staff.

36. Many variables affect the direct costs of geographic relocation:

(a) One-time costs for geographic moves include the relocation grant (lump-sum option for unaccompanied shipments), the assignment grant and travel costs;

(b) Recurrent costs include the mobility allowance and the non-removal allowance;

(c) The actual costs depend on the profile of the staff member being relocated (e.g., his or her grade and step, the number of his or her dependants, if any, and other factors), the category of the duty station to which the staff member is relocating, the duration of the assignment and the number of previous assignments;

37. Calculations by the United Nations Secretariat show that the average cost of moving a staff member from one duty station to another is around $88,000. This is the cost that has been used to estimate the cost of reassigning Professional and Director-level staff members of UNEP from Paris or Geneva to Nairobi.

38. In cases where the incumbent of a post may not accept geographic reassignment and his or her contract is accordingly terminated, the staff regulations indicate that a termination indemnity should be paid. The amount of the indemnity payment varies depending on the following variables:

(a) Level and grade of the staff member;

(b) Type of contract;

(c) Number of years served.

39. For the purposes of estimating the amount of termination indemnity that would be payable for Professional and Director-level staff members in connection with consolidating headquarters functions in Nairobi the present report uses the termination indemnity that would be payable to a P-4, step 6, staff member with dependents holding a continuing appointment with 10 years of service (see UNEP/EA.1/2/INF/16, annex III). The amount of that indemnity is $63,610.

40. In addition to the termination indemnity, a separating staff member is also entitled to a repatriation grant. The amount of the grant depends on the following variables:

(a) Number of dependants at the time of repatriation;

(b) Level and grade of the staff member;

(c) Number of years served (see UNEP/EA.1/2/INF/16, annex IV).

41. As with the termination indemnity, the estimated cost of the repatriation grant in connection with consolidating headquarters functions in Nairobi was calculated by using the amount of a repatriation grant payable to a Professional-level staff member (P-4, step 6) with dependants, holding a continuing appointment with 10 years of service, the amount of which is $40,175.

42. Other costs to be incurred by UNEP with regard to the termination of a contract are:

(a) Commutation of accrued annual leave not taken at the time of separation (up to a maximum of 60 days);

(b) Repatriation travel costs for internationally recruited staff and any dependants.

For the purposes of estimating the cost of consolidating headquarters functions in Nairobi, the cost of these two items was assumed to be $40,000 per staff member.

43. For locally recruited staff, the cost of the termination indemnity payment was estimated using the indemnity payable to a General Service staff member (G-6, step 6) in Paris, the amount of which is $52,560. Paris was chosen because it is likely that some General Service contracts in that duty station will be terminated. General Service staff members cannot be relocated to other duty stations; all such staff members occupying posts that are transferred to Nairobi will therefore be terminated unless they can be reassigned to vacant positions in their duty stations. There are no travel costs involved in the

termination of a General Service staff member, but leave not taken at the time of separation must be commuted, the assumed cost of which is $11,065.

44. Direct costs of relocating key functions to Nairobi also depend on the following factors:

(a) Whether all international posts are encumbered at the time of relocation;

(b) Applicability of agreed termination indemnities and any dispute settlements;

(c) Total number of internationally and locally recruited staff members likely to be affected by the decision to consolidate headquarters functions in Nairobi apart from the functions of the DTIE Director and the subprogramme coordinators' positions.

45. On the basis of the above, and considering that there are many variables involved, the secretariat has made provision in the proposed 2016–2017 budget (subject to further analysis and relevant consultations) for up to $1,500,000 as part of the Environment Fund programme reserve to cover direct costs of relocation over the biennium as well as to implement the measures described in paragraph 33 to consolidate UNEP headquarters functions in Nairobi. This is a conservative figure that should enable UNEP to cover the cost of all required actions, except investment in infrastructure and UNON-managed conference facilities. UNEP will continue to do its best to reduce direct relocation costs, for example through careful succession planning.

46. Other incremental costs related to the relocation of posts more difficult to quantify and monetize, but potentially significant, are:

(a) Delays in the implementation of the UNEP programme of work resulting from uncertainty among staff members concerning job security and the relocation itself;

(b) Time spent by managers negotiating the termination of contracts and settling disputes arising from the process, as well as managers' time spent recruiting and inducting new staff;

(c) Loss of productivity as new staff members settle in before becoming fully operational.

47. The difference in standard salary costs at each duty station has also been considered. Staff costs in Nairobi are lower than in Geneva and Paris, particularly for General Service staff members (see UNEP/EA.1/2/INF/16, annex V).

48. It is foreseen that the direct costs of staff relocation will be offset in 3–5 years as a result of lower standard salary costs in Nairobi compared to Paris and Geneva, notwithstanding the higher travel costs that may be incurred (see sect. C below).

49. The cost implications of the consolidation of headquarters functions are difficult to predict since most of them are associated with human resources management. The UNEP secretariat will do its utmost to mitigate the human and financial cost of the changes, for example by making use of post vacancies and natural attrition through retirement, which would enable UNEP to recruit directly from Nairobi rather than transferring staff members from other duty stations. The amount earmarked in the Environment Fund programme reserve is therefore indicative and will ensure that the dynamics of the consolidation are not affected by the availability of funds.

C. Likely impacts and mitigation measures

50. The consolidation of UNEP headquarters functions in Nairobi is a key part of strengthening the Programme. The consolidation of headquarters functions has clear benefits for the organization: in addition to the improved communications and coordination that will result from having all Senior Management Team members based in Nairobi, the consolidation will contribute to a harmonized, coherent and coordinated programme of work at the global and regional levels, strengthening the ability of UNEP to provide effective and efficient support for regional delivery.

51. As with all changes, however, there will probably be some negative impacts, in particular in the short-term, for which mitigation measures should be implemented to ensure a smooth transition, as follows:

(a) Division directors play a hands-on support role in strategic planning and the implementation of major initiatives, that should be maintained through investments in better information sharing, programme and project monitoring systems and virtual meeting facilities;

(b) Programme-related support services should be provided in full where project and programme implementation are taking place to avoid negative impacts;

(c) Access to and cooperation with established strategic partnership networks should continue:

(i) Frequent engagement and consultations at a high-level with directly relevant institutions such as the secretariat of the Basel, Rotterdam and Stockholm conventions, the secretariat of the United Nations Framework Convention on Climate Change, the Clean Air Coalition and the Climate Technology Centre and Network should be maintained;

(ii) Frequent engagement with the traditional Government partners of UNEP based in Europe, which is important for the Programme given that Europe is a strong extrabudgetary funding base of UNEP and provides significant extrabudgetary funding for key Europe-based flagship initiatives, should be maintained;

(iii) Opportunities to engage strategically with European business and industry partners of UNEP, with whom there has been frequent interaction through events organized on a monthly or bi-monthly basis, should be maintained;

(iv) UNEP efforts through multi-stakeholder partnerships to green the brown agenda, in particular with the financial sector, many of whose institutions are based in Europe, should be maintained, and the consolidation should not weaken UNEP capacity to engage with the private and the finance sector;

(v) The location of all members of the Senior Management Team and all subprogramme coordinators in Nairobi may translate into increased costs for participating in conferences and advocacy sessions in Europe, North Africa, Eastern Europe, Latin America and North America as well as increased travel time and consequent loss of senior staff productivity and increased carbon footprint;

(vi) The location of subprogramme coordinators in Nairobi may reduce the frequency of formal and informal interaction with staff members working on thematic areas central to the subprogramme. Many of staff members working on chemicals issues, for example, are based in Geneva. The relocation of the Coordinator of the Chemicals and Waste subprogramme to Nairobi may reduce the opportunities for exchanges with such staff members, with a risk of reduced programming efficiency.

52. Mitigation measures that will be put in place to address these risks include:

(a) Investment in improved programme and project monitoring tools, information-sharing platforms (including the intranet) and state-of-the-art teleconference and videoconference facilities and a budget allocation to cover the cost of frequent use of video-conferencing to help reduce travel;

(b) Enhanced delegation of authority from the Executive Director to UNEP managers based outside of Nairobi to ensure that the organization is represented at the highest possible level in key meetings with relevant constituencies and partners;

(c) Improved coordination with, and use of the presence of, the UNEP Regional Office for Europe in Geneva and the Liaison Office in Brussels to ensure continued dialogue with European and Europe-based donors and institutions to secure extrabudgetary resources for UNEP flagship programmes and projects. Enhanced coordination with and support from the UNEP Donor Partnerships and Contributions Section of the Office for Operations;

(d) Enhanced mechanisms for consultation between subprogramme coordinators, out-posted officers and regional offices to facilitate efficient, effective and timely development, implementation and monitoring of, and reporting on, the programme of work.

53. Throughout the process of consolidating headquarters functions in Nairobi, it is of utmost importance that staff rights be upheld. In addition to strict adherence to United Nations regulations, rules and procedures, including mandated consultations with staff representatives, UNEP management must consider that geographic relocation will have significant implications for staff members and their families, and flexibility will be exercised with regard to the timing of relocation.

54. With regard to General Service staff members, management will explore all avenues for reassigning affected staff members at the same duty station within existing budgets. Sufficient notice will be given to all staff members.

D. Recommendations for the programme of work for the biennium 2016–2017

55. The proposed programme of work and budget for the biennium 2016–2017 submitted to the Committee of Permanent Representatives at its open-ended meeting in March 2014 includes up to $1.5 million as part of the Environment Fund programme reserve to cover direct costs of relocation over the biennium. It is therefore recommended that the Environment Assembly maintain the level of the programme reserve at $12.5 million.

56. Other measures to implement the Governing Council decision on consolidating headquarters functions in Nairobi should be funded from the environment fund and/or other extrabudgetary sources, including investment in information and communications technology infrastructure and communications costs and the participation of member States and major groups in the Environment Assembly and its subsidiary bodies in Nairobi.

57. UNEP will submit for the consideration of the General Assembly a proposal to consider the budget implications of rationalizing, enhancing and consolidating the functions of the Secretariat of the Governing Bodies as well as funding the participation in the Governing Bodies of least developed countries from the regular United Nations budget.

58. In addition, upon the Environment Assembly's approval of its rules of procedure, UNEP will submit to the General Assembly, with the input of the Department of General Assembly and Conference Management, a proposal for funding the conference services requirements of the Environment Assembly and its subsidiary bodies.

E. Timeline

59. In line with Governing Council decision 27/2, the process of consolidating headquarters functions and strengthening the regional presence of UNEP is expected to be completed by the end of the biennium 2016–2017.